



MARYLAND

GRAIN & LIVESTOCK REPORT

February 22, 2013	MDA #117	VOLUME 38	No. 8	PUB. Weekly
WEEKLY GRAIN COMMENTARY		Kevin McNew	Adjunct Professor, UMD-College Park	

Winter Storm Q Slams Southern Plains

Winter Storm Q is moving its way through the country leaving behind beneficial moisture in many areas that are in dire need of precipitation. The beneficially precipitation has had the effect of pressuring the wheat contracts in particular this week. Although wheat has fallen sharply this week, soybeans have rallied and corn has remained in its current range. The USDA Ag Forum is underway this week and will provide some information about the prospects for next year’s crop.

Corn closed at its lowest level since early January today after failing to close solidly above \$7 several times over the last few trade sessions. Today’s action should get the bears excited with the next area of support coming in the \$6.80 area, which was the low hit in early January. Ethanol has improved over the last few weeks with this week’s production improving 8,000 barrels per day to 797,000 barrels per day. Stocks of ethanol fell 5,000 barrels to about 19.5 million barrels. Cheaper corn and improving crush margins have aided this demand sector. Estimates for tomorrow’s export sales report are for 150,000-350,000 MT in sales combined for this year and next.

Soybeans have rallied to recent highs this week mostly pressured by dry South American weather. The precipitation that was forecasted to hit the grain belt of Argentina and southern Brazil did not materialize into significant amounts. The front-month contract has tried to test the \$15 level only to fall lower each time. Looking longer term, soybeans have traded between \$13.50 and \$15 for several months now. The market is currently at the higher end of the range and will need significant bullish fundamental news to move higher. Export sales are expected to fall into the 300,000-600,000 MT range in tomorrow’s report.

Wheat has moved sharply lower this week as beneficially moisture is hitting the areas that need it the most. Some areas of the Southern Plains have reported up to a 12 inches of snow. These areas have been marred by drought for the better part of a year with yield potentials being significantly hampered. This moisture is much needed, but many areas need upwards of 8 inches of precipitation to alleviate the drought. So the snow is beneficial, but more is needed. Export sales have been better lately and are expected to range from 400,000-600,000 MT in this week’s report.

Weather has driven the wheat and soybean markets this week. Corn continues to meet resistance in the \$7 area. The lack of precipitation in the Southern Hemisphere has rallied the soybean market, while snow/rain/sleet has allowed the wheat market to sell off. Export sales will be reported tomorrow, a day late due to the President’s holiday, and the USDA Ag Forum will wrap up its estimates for next year’s crop too.

CASH GRAIN PRICE – REGIONAL (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	02/12	02/19	02/12	02/19	02/12	02/19	02/12	02/19
Western, MD	7.01	6.95	13.51	14.08	7.63	7.66	5.00	5.00
Central, MD	7.01	6.95	13.72	14.01	7.42	7.32	----	----
Southern, MD	7.16	7.15	13.71	14.20	6.82	7.02	----	----
Upper E. Shore	7.32	7.31	13.81	14.30	7.07	7.27	----	----
Lower E. Shore	7.47	7.45	14.00	14.45	7.12	7.32	----	----

HAY AND STRAW

New Holland, PA - February 18, 2013 - \$/ton

Alfalfa	Mixed Hay	Timothy	Grass	Straw	
165.00 – 350.00	35.00 – 470.00	185.00 – 300.00	75.00 – 320.00	135.00 – 200.00	
222.00 Avg.	212.00 Avg.	255.00 Avg.	190.00 Avg.	160.00 Avg.	

Livestock Prices can be found at the following websites:

- IA/MN Hog : http://www.ams.usda.gov/mnreports/lm_hg206.txt
- Eastern Corn Belt Hogs : http://www.ams.usda.gov/mnreports/lm_hg210.txt
- New Holland Cattle and Calf : http://www.ams.usda.gov/mnreports/ln_ls142.txt
- New Holland Pig Auction : http://www.ams.usda.gov/mnreports/ln_ls250.txt
- New Holland Hog Auction : http://www.ams.usda.gov/mnreports/ln_ls210.txt
- Winchester VA Livestock Auction : http://www.ams.usda.gov/mnreports/rh_ls154.txt
- USDA Weekly National Whole Broiler/Fryer Report (Fri) : <http://search.ams.usda.gov/MNDMS/2013/01/PY20130111WWholeBroiler.pdf>

Compiled by USDA, NASS, Maryland Field Office	UNITED STATES DEPARTMENT OF AGRICULTURE
For more information about this report, call 410-841-5740	NATIONAL AGRICULTURAL STATISTICS SERVICE
MARYLAND DEPARTMENT OF AGRICULTURE	MARYLAND FIELD OFFICE
50 Harry S Truman Parkway	Chris Cadwallader.....Director
Annapolis, MD 21401	Douglas Boline.....Deputy Director